



# HARP OUTREACH CAMPAIGN

OCTOBER 28, 2015



# WHAT IS HARP?

The Home Affordable Refinance Program (HARP) was created by FHFA and the U.S. Department of Treasury, Fannie Mae and Freddie Mac in 2009 to provide refinancing opportunities for homeowners with solid payment history but who lost significant equity in their homes.



**Your best route to  
a better mortgage®**

# HARP CONTINUED

HARP enables borrowers with little to no equity to refinance at low interest rates to either:



Reduce the monthly payment, OR



Reduce the term of their mortgage to rebuild equity faster

# HARP ELIGIBILITY REQUIREMENTS

- ✓ Your loan must be owned by Fannie Mae or Freddie Mac
- ✓ Your current loan-to-value ratio must be greater than 80%
- ✓ You must be current on your mortgage, with no late payments in the last 6 months and no more than one late payment in the past 12 months
- ✓ Your home is your primary residence, a 1-unit second home or a 1-4 unit investment property
- ✓ Your loan was originated on or before May 31, 2009

# HARP STATISTICS



## Nationwide

- More than 3.3 million HARP refinances have been completed since March 2009



## In Ohio,

- More than 127,000 homeowners have already taken advantage of the program
  - 26,480 in the Cleveland MSA
  - 21,912 in the Columbus MSA
  - 24,297 in the Cincinnati MSA

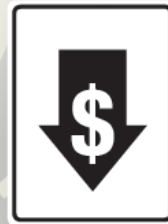
**\$179/mo**  
Average amount saved\*

**HARP refinancing:**  
the road to  
savings for many  
homeowners.

### LOWER YOUR MONTHLY PAYMENT

By refinancing to a mortgage with a lower interest rate, you could pay less each month and over the life of the loan.

1



### LOWER YOUR INTEREST RATE

Today's market rates are more than 30% lower than in 2008.

2



### GET A SHORTER LOAN TERM

By switching from a 30-year to a 15-year loan, you'll build equity faster and pay less to the bank overall.

3



\*Average savings as of 2Q15



Your best route to  
a better mortgage\*

**HARP.gov**

# OHIO STATISTICS

Ohio currently\* ranks fourth for states with the highest number of HARP eligibles at 32,180

Of the 32,180 HARP eligibles in Ohio, the top MSAs include:

- Cleveland-Elyria: 7,114
- Cincinnati OH, KY, IN: 5,306
- Columbus: 3,439

\*statistics as of Q2 2015

# HARP – IN THE MONEY

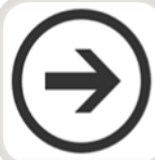
These homeowners are “in the money” and that means that their mortgage



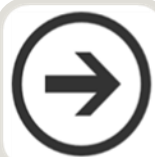
Is 1 ½ percentage points above current mortgage rates



Has a remaining balance of more than \$50,000



Has an unpaid principal balance that is greater than 80% of the current property value



Has a remaining term of greater than ten years





Your best route to  
a better mortgage\*

Hey, Ohio.  
Thousands more could  
be saving every year.



HARP ELIGIBLE LOANS  
IN OHIO: **32,180\***

NATIONWIDE REFINANCES THROUGH HARP:  
SINCE INCEPTION IN 2009  
**3.3 MILLION\*\***

► **TO QUALIFY FOR HARP:**

*Your loan is owned* by Freddie Mac or Fannie Mae.

*Your current loan-to-value (LTV) ratio* is greater than 80%.

*You must be current on your mortgage*, with no 30-day+ late payments in the last six months and no more than one in the past 12 months.

*Your home* is your primary residence, a 1-unit second home or a 1- to 4-unit investment property.

*Your loan was originated* on or before May 31, 2009.



**AVERAGE SAVINGS  
FOR  
OHIO HOMEOWNERS  
WHO HAVE REFINANCED  
WITH HARP:**

**\$1,455\***  
PER YEAR



Source: \* Statistics as of 2015  
\*\* Statistic as of June 2015

**HARP.gov**

# WHY DO WE NEED YOUR HELP?



Before FHFA launched its national outreach initiative, we heard many borrowers say they were overwhelmed with all the information they were getting in the mail and didn't know who to trust.



FHFA has invited trusted advisors in communities across the country to help us get the word out that “in the money” homeowners could save money each month by refinancing with HARP.



As community stakeholders you can vouch for the validity of FHFA's message and that HARP is not a SCAM.

# HARP OUTREACH



FHFA has partnered with the U.S. Department of Treasury, Fannie Mae, Freddie Mac and traveled to areas with high numbers of HARP eligible homeowners in Chicago, Atlanta, Detroit, Miami, Newark and Phoenix.



Today, FHFA is joined by them and the Ohio Housing Finance Agency to discuss more details about HARP and other programs designed to help Ohio homeowners.

# TOP MYTHS ABOUT HARP



I've heard HARP is a scam.



HARP is a legitimate product which offers flexibilities to borrowers who have been doing the right thing – making their payments despite home price declines.

I'm too far underwater to use HARP.



There is no maximum loan-to-value (LTV) ratio for HARP. Being significantly underwater does not disqualify a borrower from HARP.

My loan has been modified so I'm not eligible for HARP.



HAMP and HARP are not mutually exclusive; if a borrower makes their payments after their HAMP modification, they should consider using HARP to potentially lower their payment and move to a product without rates resets.

I've already been turned down for HARP.



HARP has been continuously enhanced since it was launched. Even if a borrower was turned down previously, they might qualify now.

I can wait to HARP.



Although the HARP expiration date was recently extended to December 31, 2016, monthly savings are based on low current interest rates. If rates rise, savings will go down. The time to act is now.

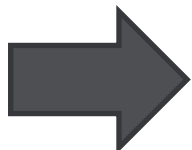
For more information, visit Fannie Mae's [Know Your Options](http://knowyouroptions.com/refinance/home-affordable-refinance-program) site: <http://knowyouroptions.com/refinance/home-affordable-refinance-program>

H A R P   O U T R E A C H   C A M P A I G N

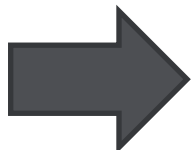


# STEPS TO GET STARTED WITH HARP

Find out if Freddie Mac or Fannie Mae own your loan:



Visit <https://ww3.freddiemac.com/loanlookup/>  
to see if Freddie Mac owns your loan



Visit [www.knowyouroptions.com/loanlookup.com](http://www.knowyouroptions.com/loanlookup.com)  
to see if Fannie Mae owns your loan

## HARP Success Stories

**Josh and Kelly:** *"We wanted to take advantage of today's low rates but didn't think we could since we were underwater. When we found out about HARP, we were thrilled. Now we're saving more than \$500 per month and have peace of mind."*

**Vicki and Steve:** *"The process was very easy and took only five or six weeks to complete. Homeowners who are underwater and have a higher mortgage rate need to do something. Otherwise, you're throwing away money you could be using every month."*

# MAKING HOME AFFORDABLE (MHA)

MHA and related programs work together to help homeowners avoid foreclosure.



# OHIO HOMEOWNERS SAVE WITH MHA

The graphic features a background of various state names in different colors and sizes, including MONTANA, DAKOTA, SOUTH, IOWA, KANSAS, MISSOURI, ARIZONA, UTAH, TEXAS, and ARKANSAS. Overlaid on this background is the text "OHIO HOMEOWNERS" in blue, "SAVE \$290/MO." in large green letters, and "WITH HAMP" in blue. At the bottom, a red banner contains a white icon of three houses and the text "MAKING HOME AFFORDABLE".

OHIO  
HOMEOWNERS

SAVE \$290/MO.

WITH HAMP

MAKING HOME AFFORDABLE

# HOME AFFORDABLE MODIFICATION PROGRAM (HAMP)





# HOME AFFORDABLE FORECLOSURE ALTERNATIVE (HAFA)

| HAFA   | VS. | FORECLOSURE  |
|--|-----|--|
| <input checked="" type="checkbox"/> <b>\$10,000</b> in relocation assistance                         |     | <input checked="" type="checkbox"/> No financial incentive                                   |
| <input checked="" type="checkbox"/> All mortgage <b>debt/deficiency waived</b>                       |     | <input checked="" type="checkbox"/> More adverse effect on credit score                      |
| <input checked="" type="checkbox"/> <b>Shorter timeframe</b> for financial recovery/home re-purchase |     | <input checked="" type="checkbox"/> Longer time to recover financially/home re-purchase      |
| <input checked="" type="checkbox"/> <b>Better management</b> of your mortgage situation              |     | <input checked="" type="checkbox"/> Harder time finding rental housing as a result of credit |
|  |     | <input checked="" type="checkbox"/> Excessive mortgage-related fees, due to lengthy timing   |

MAKING HOME AFFORDABLE

# MHA OFFERS REAL HELP TO HOMEOWNERS

**MHA** has helped  
**1.5M** families



receive

**MORTGAGE HELP**

Let us **HELP**

**YOU**



Visit [MHA.gov](http://MHA.gov) or  
Call 888-995-HOPE (4673)

# HOMEOWNERSHIP PROGRAMS/PRODUCTS

## Your Choice! Down Payment Assistance

Homebuyers can choose either 2.5% or 5% of the home's purchase price to use towards down payment, closing costs or other pre-closing expenses.

## Mortgage Tax Credit

Provides tax credit of up to 40% of the mortgage interest for the life of the mortgage; up to \$2,000 per year when using an OHFA first mortgage loan.

# HOMEOWNERSHIP PROGRAMS/PRODUCTS

## Ohio Heroes



Provides a mortgage interest rate discount to residents who serve the public, including U.S. veterans, active duty military and reserve components, teachers, licensed or certified direct patient caregivers, police officers, firefighters and EMTs.

## Grants for Grads



Provides a mortgage interest rate discount to recent college graduates (within the last 48 months). Grants for Grads also includes Your Choice! Down Payment Assistance.

## Next Home



Next Home is available for Ohio homebuyers who are not first-time homebuyers. All other criteria is the same as the First-Time Buyer program. Homebuyers receive Your Choice! Down Payment Assistance with Next Home.

# MAJOR REQUIREMENTS FOR OHFA PROGRAM/PRODUCTS

- ✓ Must meet OHFA income limits and purchase price limits listed at [www.myohiohome.org](http://www.myohiohome.org)
- ✓ Minimum credit score of 640
- ✓ Must be a first-time buyer if not using the Next Home program

# EXAMPLE: HOW TO USE OHFA PROGRAMS....

## ➤ Conventional 3% Down Payment Requirement

|   |                  |
|---|------------------|
| <b>Purchase Price</b>                               | <b>\$100,000</b> |
| <b>5% Down Payment Assistance (DPA)</b>             | <b>\$5,000</b>   |
| <b>Subtract the Down Payment and Closing Costs:</b> |                  |
| <b>3% Down Payment</b>                              | <b>-\$3,000</b>  |
| <b>2% Closing Costs</b>                             | <b>-\$2,000</b>  |

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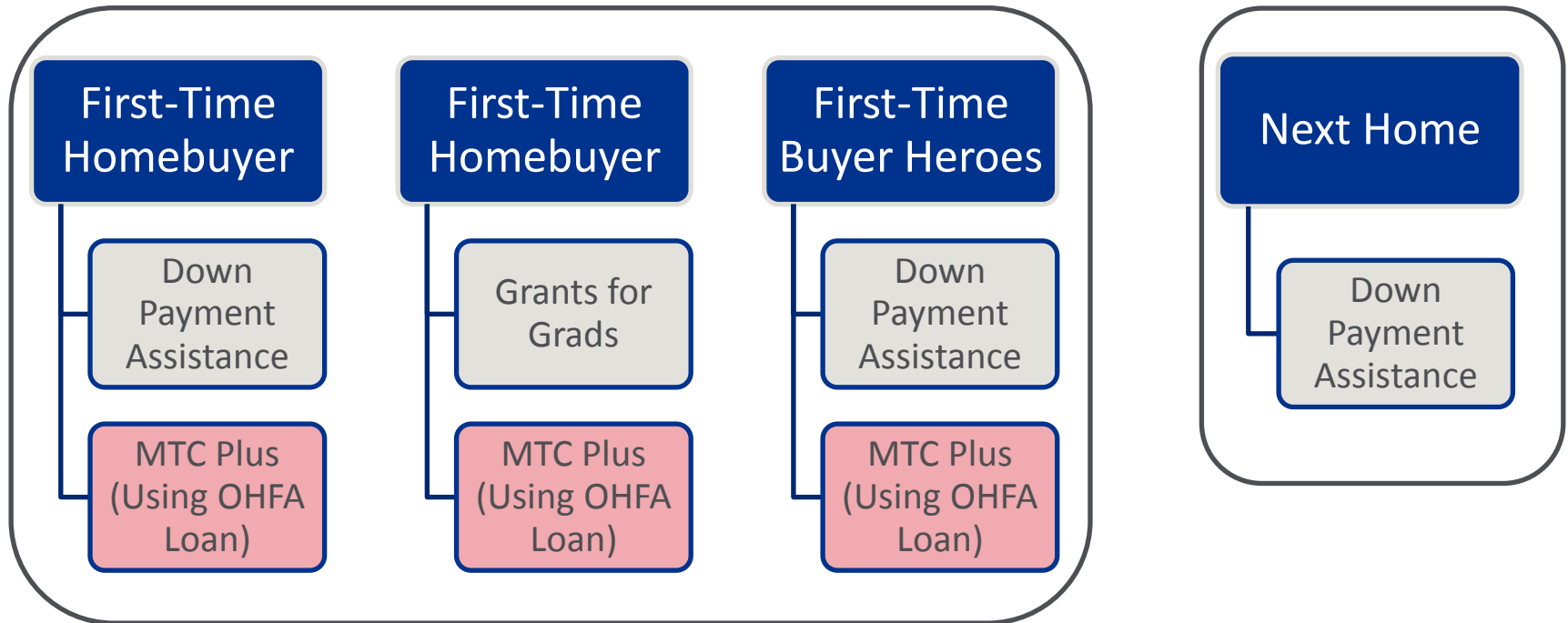
Approximate out-of-pocket funds for down payment and closing costs:

**\$1,500**

- *Homebuyers may receive up to a \$2,000 mortgage tax credit each tax year.*
- *Seller can contribute monies towards buyers closing costs.*

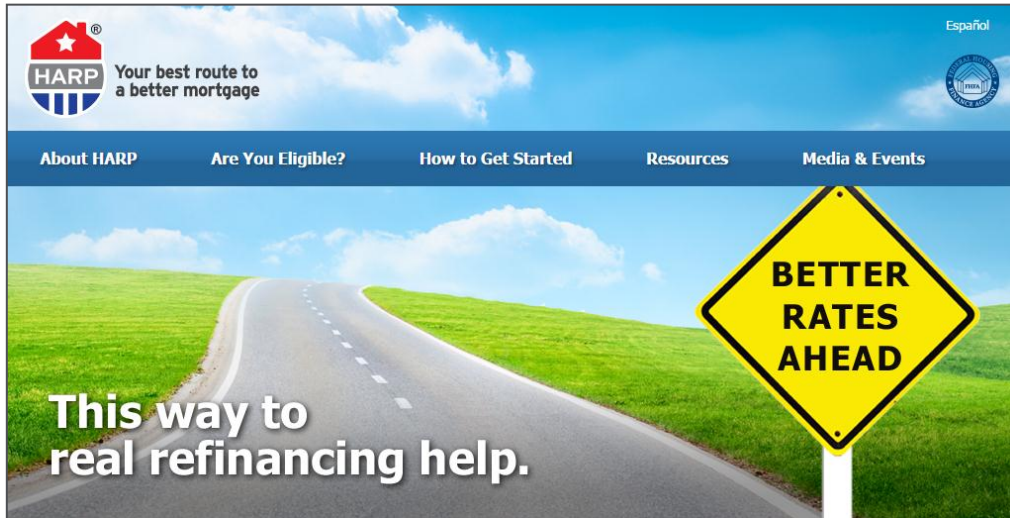


# EXAMPLE: HOW TO COMBINE OHFA PROGRAMS



For a list of HUD Approved Housing Counseling Agencies in Ohio, visit  
[www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm](http://www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm)

# HARP RESOURCES



## HARP.gov

- Eligibility map
- Videos
- Fact sheets
- Determine eligibility



# HARP RESOURCES CONTINUED

## HARP Toolkit:

- Sample Newsletter
- Fact Sheets
- FAQs
- Infographics:
  - Road Map
  - Could You Be HARPed?

Follow FHFA on Twitter @FHFA





QUESTIONS?

# FOR MORE INFORMATION

FHFA

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